

BRACEWELL & PATTERSON

2900 SOUTH TOWER PENNZOIL PLACE  
HOUSTON, TEXAS 77002-2781  
713 223 2900

CABLE BRACEPAT HOU  
TELEX 76 2141

No. 9-018A050

Date JAN 18 1989

Fee \$ 13.00

ICC Washington, D.C.

Secretary, Interstate Commerce  
Commission  
Washington, D.C.

Dear Secretary:

I have enclosed an original and one copy of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

This document is a secondary document dated as of August 17, 1988 and an amendment to a security agreement.

The primary document to which this document is connected is recorded under Recordation No. 15012.

The names and addresses of the parties to the documents are as follows:

Secured Party: The Chase Manhattan Bank (National  
Association)  
One Chase Manhattan Plaza  
New York, New York 10081

Borrower: Sterling Chemicals, Inc.  
333 Clay Street, Suite 3700  
Houston, Texas 77002

A description of the equipment covered in the document is attached hereto as Schedule 1.

Included in the property covered by the primary document described above as amended by the secondary document described above are railroad cars intended for use related to

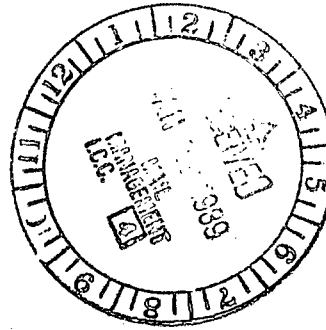
15012-B  
JAN 18 1989 - 2 50 PM

INTERSTATE COMMERCE COMMISSION

2000 K STREET N.W.  
WASHINGTON, D. C. 20006-1809  
202 628 5800  
TELEX 89 2573

22 GROSVENOR SQUARE  
LONDON W1X 0DY  
01 491 4805  
TELEX 23459

100 CONGRESS AVENUE  
AUSTIN, TEXAS 78701-4042  
512 472 7800



MOTOR OPERATOR, UNIT

JAN 18 2 45 PM '89

100-4111-01  
FBI - WASH. DC

*Q. Over the phone, Sir Walter*

BRACEWELL & PATTERSON

Secretary, Interstate Commerce  
Commission  
January 15, 1989  
Page 2

interstate commerce that will be owned by Sterling Chemicals, Inc. or its successors after the date of such primary document, as amended.

A fee of \$13.00 is enclosed. Please return the original and extra copies not needed by the Commission for recordation to Robin J. Miles.

A short summary of the document to appear in the index follows:

Amendment No. 1 to Second Amended and Restated Security Agreement dated as of August 17, 1988 which amends the Second Amended and Restated Security Agreement dated as of March 31, 1988 between Sterling Chemicals, Inc., 333 Clay Street, Suite 3700, Houston, Texas 77002 and The Chase Manhattan Bank (National Association), One Chase Manhattan Plaza, New York, New York 10081 with Recordation No. 15012-A, which amends the Security Agreement dated as of August 1, 1986 with Recordation No. 15012, covering 45 railroad tank cars.

Very truly yours,

Bracewell & Patterson

*Robin J. Miles*  
Robin J. Miles

RJM/jac  
Enclosures

97RJMS/E

# SCHEDULE 1

## EXCLUDED PROPERTY

Acetic Acid Railcars Owned By Sterling:

<u>CAR NUMBER</u>	<u>DOT CLASSIFICATION</u>	<u>AAR DESIGNATION</u>	<u>PRODUCT</u>	<u>CAPACITY (K) GALLONS</u>
MONX-13549	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13552	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13554	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13558	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13559	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13562	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13564	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13569	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13574	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13575	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13576	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13577	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13579	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13581	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13582	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13583	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13585	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13586	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13587	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13589	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13590	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13591	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13592	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13594	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13595	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13596	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13597	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13598	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13599	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13600	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13601	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13602	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13603	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13603	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13607	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13608	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13609	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13611	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13612	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13613	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13614	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13615	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13616	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13617	DOT 111A60ALW1	T016	ACETIC ACID	23
MONX-13618	DOT 111A60ALW1	T016	ACETIC ACID	23

# Interstate Commerce Commission

Washington, D.C. 20423

1/18/89

OFFICE OF THE SECRETARY

Bracewell & Patterson  
2900 South Tower Pennzoil Place  
Houston, Texas 77002-2781

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 1/18/89 at 2:50pm, and assigned recordation number(s). 15012-B

Sincerely yours,

*Nesta R. McEwen*  
Secretary

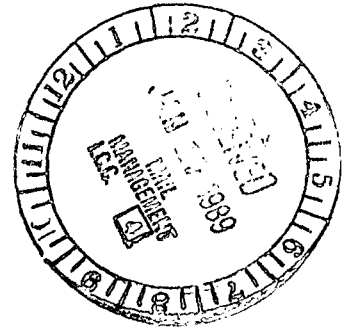
Enclosure(s)

# COPY

15712-B

JAN 18 1989 3 22 PM

INTERSTATE COMMERCE COMMISSION



AMENDMENT NO. 1 TO  
SECOND AMENDED AND RESTATED  
SECURITY AGREEMENT

AMENDMENT dated as of August 17, 1988 between Sterling Chemicals, Inc., a Delaware corporation ("Sterling"), and The Chase Manhattan Bank (National Association), as agent under the Security Agreement referred to below (in such capacity, together with its successors in such capacity, the "Agent").

W I T N E S S E T H:

WHEREAS, Sterling, certain Banks and The Chase Manhattan Bank (National Association), as agent, entered into a Credit Agreement dated as of August 1, 1986, as amended by the Supplement and Amendment Agreement dated as of September 2, 1986, Amendment No. 2 dated as of December 10, 1986, the Amended and Restated Credit Agreement dated as of August 1, 1986 and the Second Amended and Restated Credit Agreement dated as of March 31, 1988 (the "Credit Agreement");

WHEREAS, Sterling, said Banks and The Chase Manhattan Bank (National Association), as agent, have entered into a Consent and Amendment dated as of August 17, 1988 in order to amend the Credit Agreement and to consent to this Amendment to the Security Agreement as defined below;

WHEREAS, to induce said Banks to enter into the Credit Agreement and for other good and valuable consideration, Sterling and the Agent entered into a Security Agreement dated as of August 1, 1986, as amended by the Amended and Restated Security Agreement dated as of August 1, 1986 and the Second Amended and Restated Security Agreement dated as of March 31, 1988 (the "Security Agreement"), pursuant to

1403

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CONFIDENTIAL

which Sterling agreed to pledge and grant a security interest in the Collateral (as therein defined); and

WHEREAS, Sterling, said Banks and the Agent desire to amend the Security Agreement as hereinafter set forth;

NOW, THEREFORE, the parties hereto agree as follows:

SECTION 1. Definitions; References. Unless otherwise specifically defined herein, each term used herein which is defined in the Security Agreement has the meaning assigned to such term in the Security Agreement.

SECTION 2. Amendments to the Security Agreement.

(a) Section 3. Section 3 is amended to substitute "through" for "and" in clause (e) thereof.

(b) Section 4. Section 4 is amended as follows:

(i) Section 4.01 is amended to read in its entirety as follows:

4.01 Collateral Account. At any time that (i) a Default shall have occurred and be continuing or (ii) Sterling shall be required to provide cover for Letter of Credit Liabilities pursuant to Section 3.02(b) of the Credit Agreement, Sterling shall, or, in the case of clause (i) hereof, upon the request of the Agent shall, establish and maintain with the Agent a cash collateral account (the "Collateral Account") in the name and under the control of the Agent into which there shall be deposited from time to time the cash proceeds of any of the Collateral required to be delivered to the Agent pursuant hereto and into which Sterling may from time to time deposit any additional amounts which it wishes to pledge to the Agent as additional collateral security hereunder. Upon the occurrence and during the continuance of any Event of Default, Sterling will promptly notify, and Sterling hereby authorizes the Agent so to notify, each account debtor in respect of Collateral that such Collateral has been assigned to the Agent hereunder and that any payments due or to become due in respect of such Collateral are to be made directly to the Agent or its designee. The balance from time to time in the Collateral

Account shall constitute part of the Collateral hereunder and shall not constitute payment of the Secured Obligations until applied as hereinafter provided. Upon the occurrence and continuation of an Event of Default, the Agent may (and, if instructed by the Majority Banks, shall) in its (or their) discretion apply or cause to be applied (subject to collection) the balance from time to time standing to the credit of the Collateral Account to the payment of the Secured Obligations in the manner specified in Section 5.08. Subject to the preceding sentence, amounts deposited in the Collateral Account pursuant to Section 3.02(b) of the Credit Agreement shall be retained by the Agent in the Collateral Account until such time as all Participation Letters of Credit shall have been terminated and all of the Letter of Credit Liabilities shall have been paid in full. If (i) no Event of Default shall have occurred and be continuing and (ii) the balance outstanding to the credit of the Collateral Account shall not be required to be retained in the Collateral Account by the Agent pursuant to the preceding sentence and Section 3.02(b) of the Credit Agreement, the Agent shall remit such balance to or upon the order of Sterling as Sterling shall from time to time instruct. The balance from time to time in the Collateral Account shall be subject to withdrawal only as provided herein.

(ii) Section 4.02. The first sentence of Section 4.02 is amended to read in its entirety as follows:

Sterling agrees that, at any time when Sterling is required to establish and maintain a Collateral Account in accordance with Section 4.01 hereof, if Sterling shall receive the proceeds of any Collateral hereunder, it shall as promptly as possible deposit such proceeds into the Collateral Account.

(iii) Section 4.03. Section 4.03 is amended to delete "(i)" therein.

(c) Section 5. Clause (v) of Section 5.04 is amended to add at the beginning thereof the following: "Sterling shall establish and maintain the Collateral Account in accordance with the provisions of Section 4 hereof and".



SECTION 3. Counterparts. This Amendment may be signed in any number of counterparts, all of which taken together shall constitute one and the same instrument and each of the parties hereto may execute this Amendment by signing any such counterpart.

SECTION 4. Governing Law. THIS AMENDMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the date first above written.

STERLING CHEMICALS, INC.

*Bern L. Kottel*

By THEASER -  
Title:

THE CHASE MANHATTAN BANK  
(NATIONAL ASSOCIATION),  
as Agent

By \_\_\_\_\_  
Title:

SECTION 3. Counterparts. This Amendment may be signed in any number of counterparts, all of which taken together shall constitute one and the same instrument and each of the parties hereto may execute this Amendment by signing any such counterpart.

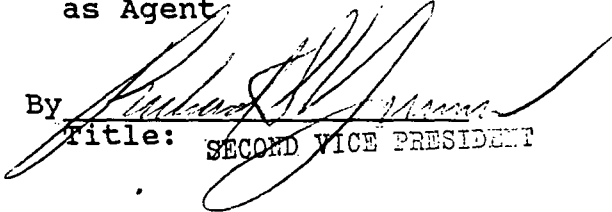
SECTION 4. *Governing Law*. THIS AMENDMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the date first above written.

STERLING CHEMICALS, INC.

By \_\_\_\_\_  
Title:

THE CHASE MANHATTAN BANK  
(NATIONAL ASSOCIATION),  
as Agent

By  \_\_\_\_\_  
Title: SECOND VICE PRESIDENT

STATE OF TEXAS       §  
                              §  
COUNTY OF HARRIS   §

This instrument was acknowledged before me on  
August 31, 1988 by Bin L. Roberts,  
Treasurer of Sterling Chemicals, Inc., a Delaware  
corporation, on behalf of said corporation.

Katherine M. Holdsworth  
Notary Public in and for The  
State of Texas

Name: Katherine M. Holdsworth

My Commission Expires: 10-24-92